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Caribbean Labor Unions Meet, Assess Current Status

32980186 Kingston *THE DAILY GLEANER* in English
22 Aug 88 p 4

[Text] Georgetown, Guyana, 21 Aug, Cana: The trade union movement in the Caribbean is being marginalised, participants at a just concluded conference on Caribbean integration and the labour movement have said.

A statement issued said that while organised labour had historically led the social revolution, it was hardly now considered for inclusion in the developmental process and that while private enterprise is counted, the trade union movement is labelled and its relevance even questioned.

"The trade union movement must renew itself, redefine its purpose and retake the banner for integration as a reaffirmation of its historic role," the statement said.

The colloquium was sponsored jointly by the Caribbean Workers Council (CWC) whose General Secretary is leader of Guyana's opposition Democratic Labour Movement (DLM) Paul Tennassee, and the Caribbean Institute of Social Formation (CARISFORM).

Did Not Attend

While it attracted personalities such as University of the West Indies (UWI) senior political science lecturer Dr Neville Duncan, and trade unionist and former external affairs minister of Trinidad and Tobago Basdeo Panday, representatives of the Guyana government and the local umbrella Trade Union Congress (TUC) did not attend sessions to which they had been invited.

Labour, the participants said, must assume greater responsibility for the wider dimensions of society—including integration. There must be a return to political unionism, they added.

The labour movement, the statement said, is called upon "to meet the challenge of relevance forced upon it as a result of global restructuring of capitalist and socialist economies by the growing size of the informal economy and by migration, among other factors.

"This is best achieved by the labour movement reattaching itself to the process of people-oriented change and taking up the cause of regional economic and political integration as it did back in the 1930s, 1940s and 1950s," delegations said.

New Strategy...

There was also need for the reformulation of a "new strategy of economic development which articulates a re-definition and an alternative conception of development in which the needs of workers are given priority and there is active participation of the popular masses."

They said that in the immediate and short term, the labour movement should establish immediately "an active platform for the pursuit of the cause of unity within the movement," it must keep the question of integration on its agenda and reaffirm its continuing role in leading the campaign for integration not limited to the English speaking Caribbean but expanded to include also, the Dutch, French and Spanish speaking Caribbean.

And, detailing what they considered a number of practical measures for promoting Caribbean integration, they said the idea of a regional parliament is "quite acceptable" and called for uniformed recognition and application of ILO conventions and for a Caribbean labour code covering among other things the defence of trade union, women's and workers' rights and uniform attitudes by governments to private investment.

They also agreed that a Caribbean court of appeal and a commission on human rights should be established and that Caribbean studies and Caribbean integration should be included in curricula of schools and universities.

Throughout the region and said the movement has a vested interest in supporting the creation of one Caribbean airline, region-wide communications systems and an effective shipping line for internal travel and trade within the region.

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Paz Appoints New Finance Minister, Abolishes Revenue Ministry

Remarks at Swearing-In Ceremony

33480213c La Paz PRESENCIA in Spanish
11 Aug 88 p 1

[Text] In a ceremony held this afternoon (yesterday, Wednesday), the president of the republic swore in the new minister of finance, thus overcoming a partial cabinet crisis. The crisis arose when Juan Cariaga Osorio tendered his irrevocable resignation last Tuesday.

At the ceremony, which was held in the Hall of Mirrors of the Government Palace, the minister-secretary of the presidency of the republic read Presidential Decree 21986, which names Ramiro Cabezas Mases as the new minister of finance. He thus replaces Juan Cariaga, who resigned from that high office irrevocably after 2 and 1/2 years at the head of what the president himself described as one of the most conflict-ridden and difficult ministries, in his remarks on the occasion of the swearing-in of the new cabinet secretary.

Commitment to the People

Before administering the oath of office, the president of the republic gave an extemporaneous speech in which he praised the efficient work of Juan Cariaga. He pointed out that "it is never possible to reconcile all the demands that emerge from the always pressing needs of poor countries such as ours, especially in light of our limited resources. This situation becomes much more severe in periods of crisis such as this one."

Referring to Juan Cariaga's term in office, the chief of state asserted that he has done an exceptional job in the service of his country. "I would like to express my recognition and that of the government for the exceptional and efficient job done by Juan Cariaga, who carried out a hard and difficult task in the service of the country."

Justification

In another part of his address, the chief executive justified the elimination of the Ministry of Tax Collection, asserting that among the various fields covered by the Finance Ministry, tax collection is of exceptional importance and is related to the provision of funding for the objectives the state must meet.

"When we implemented the New Economic Policy," he stressed, "we necessarily had to emphasize the need to make structural changes in tax policy. We had passed Law 843 in May 1986 and introduced major reforms in the Bolivian tax system, and it was therefore necessary to create a special ministry on a temporary basis to devise the necessary instruments and suitable regulations to enforce that law and other measures we adopted in the area of customs."

Dr Victor Paz Estenssoro emphasized that the changes made have in turn led to fundamental changes in the tax administration agencies, especially considering that the Tax Collection Ministry has carried out its mission. "Now," he declared, "we are bringing the tax mechanisms back to the situation that prevailed before the creation of that temporary ministry."

Gratitude

The new finance minister, Ramiro Cabezas, expressed his gratitude for being named to the post. He stated that he will devote all of his capacity and efforts to the service of the country. He added that he will continue the efficient work of his predecessor, Juan Cariaga Osorio.

When asked about the policy he will implement in the Finance Ministry, Cabezas responded that the most important thing is to ensure the continuity of the current economic policy. "Later on, as the circumstances warrant, we will look at the need to make some internal changes."

Declined Invitation

In addition, it was reported that Deputy Edwin Rodriguez Aguirre, who held this post under the regime of Gen Banzer Suarez, declined an invitation from the chief of state to hold it again. "I was already a minister once, and I am not interested in the job of minister. I am a deputy, and I am comfortable in that position."

It should be noted that several hours before the president of the republic named the new head of finance, there were persistent rumors that Rodriguez Aguirre, on the recommendation of his party, was proposed as finance minister, but he did not end up being named. Instead, the chief of state decided to designate Ramiro Cabezas as the new chief of that secretariat.

Elimination of Tax Collection Ministry Questioned

33480213c La Paz PRESENCIA in Spanish
12 Aug 88 p 3

[PRESENCIA Editorial]

[Text] The executive branch, facing a partial cabinet crisis as a result of the finance minister's resignation, has decided to eliminate the Ministry of Tax Collection. This administrative entity was created on 5 January 1987 for a specific purpose: to reorganize the chaotic national tax system and to increase the revenues collected through state taxes. Decree No. 21502, which established this ministry, stated clearly that it would function temporarily.

The head of the defunct Tax Collection Ministry has been named finance minister. The Undersecretariats of Customs Affairs and Internal Revenue still exist, however, as do the General Offices of Internal Revenue, Customs, Taxes and Tariffs, the Autonomous Customs Warehouses Administration, and all other entities.

The merger seems to be a very good idea, if the public treasury system is to be placed under the control of Finance with respect to both revenues and expenditures, in order to maintain an equilibrium between the two.

The way things have turned out, however, the post of tax collection minister is abolished, but not the structure of the ministry; it goes, intact, over to the Finance Ministry.

Now, if the argument is that Tax Collection has fulfilled the specific mission that was assigned to it and is no longer necessary, it is unclear why the undersecretariats and other high-ranking offices remain. The General Offices of Revenue and Customs should be enough to administer the new tax, tariff, and customs system.

The fact that the number of cabinet ministries is being reduced is also a positive development. Ministerial hypertrophy is at the root of another major problem: the weighty bureaucracy of public administration. There are several ministries that have no reason to exist; they could function much, much better as secretariats or general offices. They were established in response to sectorial pressures or political considerations that had little to do with the principles of efficiency that form the basis of a proper government administration.

08926

MNR, ADN, MIR Unity Against Leftist Front Advised

33480213a La Paz EL DIARIO in Spanish
4 Aug 88 p 2

[Commentary by Fernando Diez de Medina]

[Text] Laboring under illusions is the worst thing that can happen in politics, and it is an illusion to think that the Revolutionary Nationalist Movement (MNR), the Nationalist Democratic Action (ADN), or Paz Zamora's Movement of the Revolutionary Left (MIR) could win the presidential elections, each in isolation from the others.

The more realistic and far-sighted elements of the left, on the other hand, are trying to forge a Single Opposition Front that could, if consolidated, easily win the elections.

The MNR and the ADN (which others call the Two-Party League) are severely worn down after 3 years under the present government. Although the government has

saved the country from hyperinflation, is bringing order to the economy after the chaos of the Democratic and Popular Unity (UDP) government, and has restored the nation's clean image and international credit, these accomplishments have entailed a very high social cost. The communists have adeptly exploited these costs to plant the idea among the masses that this government is an antipopular, proimperialist regime that is run by the plutocratic right. All of this is false, but we already know how red slogans catch on in our country.

To top it all off, the democratic parties, already scattered in the face of the incipient leftist bloc, are each suffering their own internecine divisions and bickering. Indeed, their preliminary presidential candidates are attacking each other and maligning each other, further weakening their partisan cause.

The only sensible, far-sighted, and intelligent thing to do would be for the democratic, nationalistic, and revolutionarily responsible parties such as the MNR, the ADN, and Paz Zamora's moderate socialist MIR, the Christian Democrats (DC), the VR 9, etc. to get together behind a single presidential candidate, also seeking agreements on the election of senators and deputies.

In other words, the National Front should not break up, as it is apparently about to do, but rather should be broadened and fortified to defend the democratic system and save the republic from the advent of a cruel, totalitarian regime such as those of Cuba and Nicaragua, which have subjected their people to oppression and terror.

We can see from the examples set by other countries how the dispersion of democratic forces has enabled the parties of the left to ascend. And let us not deceive ourselves in this regard: The Bolivian leftists who are trying to put forth an attenuated social democracy would in fact, if they won the elections, waste no time in coming under the spell of the extreme left, as has happened in Nicaragua and Cuba.

While the democratic parties are confronting each other and undergoing more internal schisms, the Marxist and demagogic sectors have become firmly entrenched in the labor unions, peasant associations, and middle class organizations. They have created a crisis of discontent that will have disastrous consequences in the May 1989 elections.

Anyone who fails to see this danger is blind. Our disjointed and debilitated democracy is being battered by partisan frictions, while the strong and compact communist left is capitalizing on the situation and turning the people against the democratic parties.

The democratic and nationalist parties, and some revolutionarily responsible parties such as the MNR, the ADN, the MIR of Paz Zamora and the VR 9, as well as the Christian Democrats, should all unite in a single

electoral bloc to face the assault by the parties of the left. Passing themselves off as moderate socialists, these parties will quickly turn to the totalitarian tendencies of the extreme left.

The next 4 years after August 1989 will be decisive for the country: Either the policy of political and economic reorganization pursued by the Paz Estenssoro administration will be continued, with reduced social costs, or we will revert to the disorder, labor anarchy, and superinflation of the UDP era.

The defense of democracy demands the far-sighted understanding of all upstanding, responsible, and truly nationalist political forces that have a clearly defined socioeconomic ethic in keeping with the country's real situation. What it does not need is the alleged government of the masses that the communist tendencies are claiming to stand for.

The electorate must make a proper choice between the democracy with liberty that we enjoy today, or the totalitarian socialism in which the state oppresses the citizens and renders them powerless under the crush of Marxism.

The democratic and nationalist parties should carefully assess their chances of winning the elections. Divided and isolated in selfishly partisan slates, they could pave the way to a triumph of the united, compact left. By joining forces at the polls with a single, unifying candidate, they would be assured of victory.

Responsible democracy or disintegrating socialism: that is the choice.

08926

Modification of Voter Registration Law Criticized
33480213b La Paz PRESENCIA in Spanish
20 Aug 88 p 3

[PRESENCIA Editorial]

[Text] Article 63 of the Electoral Law, which recognizes the personal identification card as the only valid document for citizens to use when registering to vote, has

been amended once again by an exception law passed by the Senate. The amendment authorizes the registration of voters who, lacking an I.D. card, show a baptismal or birth certificate.

The cleanliness of elections depends, in large measure, on voter registration. The single multicolor, multisymbol ballot has eliminated much of the fraud. It should be recalled that when the system of separate ballots for each candidate was in effect, the opposition candidates' ballots never made it to the polling place, or a tiny number would be available compared to those of the ruling party candidates. Moreover, ballot box switching was frequently practiced.

It is difficult to commit fraud at the polls now, but there is fraud at notary offices when duplicate or triplicate books are kept.

Purging the registries is a difficult and complicated task, especially if the departmental courts do not function continuously between elections. Thus, the errors and flaws of the past are perpetuated, giving rise to justified protests by the political parties.

We can see that the registration of citizens who merely show birth or baptismal certificates is conducive to fraud if we consider that in our country it is very easy to obtain certificates from the Civil Registry or to forge such documents. Nor is there any way to prevent some notaries from filling their books with the names of nonexistent people.

In these times of advanced computer technology, there is no excuse for the electoral system to work under the same precarious conditions that have prevailed for the past century. With the latest technology, it is easy to maintain updated lists of citizens of voting age, to eliminate duplicate names, and to establish people's identities.

The wisest thing to do, as long as computers can be used, is to keep Article 63 of the Electoral Law in effect and to demand the I.D. card issued by the Bolivian Police as the only legitimate document for voter registration.

08926

Road Systems, Land Redistribution Seen Lacking in Tolima

33480210 Bogota EL ESPECTADOR in Spanish
20 Aug 88 p 13A

[Article by Luzdary Ayala Villamil: "Coffee Growers Have Given a Hand to the PNR in Tolima"]

[Text] In Tolima the Departmental Committee of Coffee Growers is the best partner that the National Rehabilitation Plan (PNR) has found to keep its promises. Together they have invested 3 billion pesos.

"The committee invests peso for peso with the PNR in Tolima," remarked the plan's delegate in that department, Jaime Morales, who is also the manager of the DRI [Integrated Rural Development Program]. He notes that such cooperation has enabled them to do an efficient job in the communities of the 15 municipalities included in the PNR.

From the looks of things, however, these Tolima towns have quite a few needs. Many infrastructure projects are lacking: irrigation districts, water, light, sewers, schools, and bridges for rural roads, as in the Aguadulce settlement. There, Mr Alberto Alvarez, the chairman of the Community Action Board, is tired of going to the Departmental Projects Secretariat and then not seeing the bridge built that will save at least five settlements. "Two years ago they sent 600,000 pesos worth of hardware that is going to waste, just like the lumber that the community paid for, because now there's no money for cement," the civic leader indicated.

Among the PNR municipalities there is a large indigenous population in Ortega, Coyaima, Chaparral, Natagaima and San Antonio, only 20 percent whom own land, according to native leader Alfredo Capera.

Government Slow To Act

The Tolima communities still remember when Carlos Ossa burst into the rehabilitation council meetings and announced that there would be money for special projects over the next 3 months. The funds were more than a year in coming, first arriving barely 2 months ago.

This delay has prompted the communities to say the same things as in most of the regions in which the PNR is in operation: great expectations were raised, but the government has been slow in providing the funds.

Basic projects are under way, such as the Chaparral waterworks, a few small irrigation districts with UNDP [UN Development Program] support, outfitting local schools and health-care centers, and building roads, such as the Herrera-La Linea road, which links the area with the Cauca Valley.

Some Snags

Not all has gone well in the road building. A few days ago the governor of Tolima, German Huertas Combariza, decided to let lapse an agreement signed with the Coffee Growers Committee and the PNR under which the Public Works Secretariat pledged to deliver 11 bulldozers to the committee for it to operate. The governor's decision brought work to a halt and prompted an intense controversy between the community, which is demanding that the agreement be reinstated, the committee, which does not understand the government's decision, and the governor, who says that the coffee growers were politicizing road construction.

In this regard, the coordinator of SENA [National Apprenticeship Service], Joaquin Rojas Afanador, indicates that the work is difficult and that, therefore, the training courses are ongoing.

More Advisory Services and More Land

Even though Tolima is the third largest producer of coffee nationwide and a large producer of cacao and cotton, modern farming methods have not been introduced for all crops. Guillermo Escandon of Prohaciendo, an agency attached to the Coffee Growers Committee, indicates that professionals and equipment are lacking in the technical advisory services for the peasant farmers. Many refuse to change their traditional methods of growing crops and raising hogs and cattle.

The inadequate advisory services are compounded by budget shortfalls. Many people do not have credit. The Caja Agraria [farm loan bank] does not want to risk lending to families that cannot make a profit because of the condition of their land. Jose Maria Rubio, who coordinates the PNR projects in the bank, acknowledges the benefits of the Guarantees Fund that the plan set up to vouch for peasant farmers without funds. Nonetheless, he indicates that the solution is not to lend to someone who has no chance of paying back the loan, because that would be a short-lived benefit.

"The Caja Agraria began as a sort of loose wheel in the PNR," he states. An interinstitutional committee has now been formed to study the feasibility of the loans, and work is also under way on a concentrated rural-housing project.

The land problem in Tolima is serious. An INCORA [Colombian Institute of Agrarian Reform] study 4 years ago found that 5,500 families needed cropland. Under the PNR, INCORA has bought 5,259 hectares for 195 million pesos for some 200 families, less than 1/10 of the landless population.

"The most interesting development is that we are looking into the purchase of 17,000 hectares for 840 million pesos," indicated regional manager Alvaro Rivera Martinez.

More Teachers, Please

Education is what is lacking in Tolima. Even though the PNR hired seven teachers in each municipality, the shortfall in this area is quite severe. And there have been teachers whom communities have complained about; one example is Rioblanco, where civic leaders say that incompetent personnel who have not even completed grade school have been appointed. Meanwhile, instructors from teachers training schools are transferred to remote towns. In the La Profunda settlement, for example, the people have been demanding the start of the first year of bachelor's degree studies.

The popularly elected mayor of El Chaparral, Maclovio Alvira, a veteran coffee-grower who loves his town, is demanding more teachers and a higher PNR budget for public works.

The mania for red tape and political hucksterism remain PNR constants. Father Joaquin Cartagena, from the Camacho Agricultural Institute, which operates in the Chaparral jurisdiction, recalls that after the PNR approved a 1.5 million peso appropriation for the purchase of laboratory equipment for the institute, the delivery of the money was delayed for more than a year by red tape.

In Rioblanco, where come election time even the local priest campaigns, the PNR "is just beginning to build the waterworks, through Cortolima," according to community leaders.

This town of about 25,000 is one of the hardest hit by political factionalism. "Rioblanco is run by four or five people," someone remarked, noting that for this reason it does not matter whether one is a councilman or not.

"The PNR was supposed to come in and help the sectors that were hard hit by violence, but we have not seen this here. We do not have an efficient health-care service, we do not even have a soccer field, there are no teachers, the TV reception is poor...."

[Box, p 13A]

El Queso, Countering Utter Poverty

Chaparral—El Queso is one of the largest estates that INCORA has bought. It covers 1,700 hectares and is home to 47 families in two community enterprises. Owing to the terrain, the community has specialized in livestock production.

All of the ingredients for overcoming utter poverty were present there, because not only was the land handed over, but loans were granted for housing, home vegetable gardens and livestock purchases.

Moreover, according to Jaime Leal, one of the beneficiaries, there is a technical advisory service and a small irrigation project, under an agreement with the Colombian Institute of Hydrology, Meteorology and Land Rehabilitation, and work is currently under way on the waterworks.

8743

**CETSS Report Finds Economic Accountability
Law Poorly Enforced**

32480204b Havana JUVENTUD REBELDE in Spanish
2 Aug 88 p 8

[Article by Arleen Rodriguez]

[Text] The enforcement of Decree-Law 92 on economic accountability seems to be one of the areas where the least progress has been made, according to the results of the reinspections conducted in six aspects of labor by the State Committee for Labor and Social Security (CETSS).

The process, which took place in May and June of this year, was a follow-up on the inspections conducted by the corresponding office of that agency in 1,326 entities in the last 4 months of 1987 and the first 3 months of 1988.

According to a report that was released to JUVENTUD REBELDE, this time the inspectors followed up on 44 percent of the 30,423 violations that had been detected previously. They found that in general, 84.2 percent had been resolved. Strong disciplinary sanctions were recommended for the entities that had failed to carry out many of the measures that had been ordered after the original inspection.

Economic accountability, one of the main tasks subject to reinspection (the others basically had to do with the organization of work and wages), proved to be the area with the fewest corrections of infractions. The rate of correction was less than 70 percent, and it was discovered that many of the problems underlying the initial violations are still present.

The document issued by the CETSS states that "although there is a favorable trend in the enforcement of Decree-Law 92, it is still weak. Therefore, strict compliance with economic accountability is still insufficient."

The other aspects that were reinspected were the bonus system in automotive transport repair shops, piecework in the Steelworking Industry (SIME), payment for saving time in shipyards, the organization of work, and wages in the industrial, services, and sugar sectors. Acceptable results were found in these areas, with an average correction rate of 80 to 85 percent.

The CETSS report touches a sensitive nerve once again. The law governing economic accountability is poorly enforced. We still have a long way to go in improving our knowledge (which gives rise to respect, care, and protection) of social ownership, and the state continues to assume all the responsibility.

08926

New Sugar By-Product for Industrial Use

32480204c Havana JUVENTUD REBELDE in Spanish
5 Aug 88 p 3

[Article by Jose Alejandro Rodriguez]

[Excerpt] A promising period for our sugarcane by-products industry began to take shape recently with the opening of the first furfural-producing plant in the country, in a sugar processing plant (CAI) in Las Tunas province.

This small factory, which was designed as part of an economical Cuban project that utilizes some facilities in the plant itself, should produce about 1,000 tons of this substance each year. It will turn the extremely cheap and ever-present bagasse into furfural, which has myriad industrial applications and is in great demand on the international market.

To give an idea of the importance of furfural, suffice it to say that a ton is valued at \$1,500 in the hard currency area. And that's not insignificant, especially considering that this product is a veritable gold mine; it has more than 300 uses in the chemicals industry, in the production of anticorrosives and adhesives, in the manufacture of casting molds of much higher quality and precision, in the production of pesticides and fungicides, and as a selective agent in the purification of oils, just to cite a few examples.

At present, this plant is already saving the country imports, because part of its production will provide raw materials for the anticorrosive pastes factory that is being built in Moa. In addition, whatever is not consumed domestically will be exported.

But this is just the beginning of an entire strategy for building a Cuban industry around furfural. At the Jesus Suarez Gayol CAI in Camaguey, construction has begun on the second plant to make that product. The plant employs Soviet technology and will have a capacity of 5,000 tons.

Another project on the drawing boards is a furfuryl alcohol industry that will produce most furane resins, which truly have a direct industrial use.

In the future, new industries will grow around furfural, because Cuba has a great potential for emerging as a major supplier of this product within the integrated economy of the socialist bloc, and for expanding its sales to capitalist countries.

08926

Lack of Organization, Official Neglect Hamper Innovators

32480204a Havana TRABAJADORES in Spanish
29 Jul 88 p 11

[Article by Claribel Terre Morell]

[Text] The majority of the problems that have led to the country's transportation crisis arise from the lack of spare parts that are produced abroad. For this very reason, the work of innovators and efficiency experts should receive more attention so that they can provide solutions to these difficulties throughout the country, in many cases with recycled materials.

At the Urban Bus Enterprise in the capital, one of the hardest hit, the National Association of Innovators and Efficiency Experts (ANIR) appears to be an organization that works spontaneously. No one knows how many members it has, what its agenda is, or whether patented initiatives have been put into widespread use.

In 1987 just six innovations were reported to the enterprise's legal department, compared to 19 approved the previous year. Jorge Fernandez, assistant technical director and chairman of the invention evaluation committee, and Luis Yi, vice president of the ANIR and chief of the departments of standards and quality control, stated in interviews that they do not know what finally happens to these inventions.

Since the middle of last year, when the Bureau of Innovators and Efficiency Experts (BIR) was established, the ANIR members have not met again, nor have they held the required assembly to assess their accomplishments during that period.

In November 1988 they are supposed to analyze the measures to be taken to deal with the crisis.

Despite the lack of attention, the innovators work on their own, under the pressure of the difficulties in their own terminal. Many of the patented inventions are used only where they were first developed; in some cases their inventors did not go through the steps to inform others of their existence because of a variety of problems (filing out documents, drawing blueprints), tasks for which these people are not trained.

Among the innovators I talked to, some with more support than others, the lack of attention was mentioned most often.

"I no longer feel like working," said Arnelio Garcia, who has three major inventions to his credit. Two are patented, the other is not. He invented a hydraulic guillotine that separates the brake lining from the shoe in just 45 seconds. The advantage is that it does not harm the shoe, it saves time, and it avoids physical exertion on the part of the worker. Its application is limited to the terminal in Palatino and the National Bus Enterprise. This same task is performed today by a man with a hammer and punch in the other terminals.

His other invention, an adaptation of a riveter to make it pneumatic instead of hydraulic, complements the work of the guillotine. It performs more accurately than the hand riveter that is currently in use.

And the other machine, still unnamed, is used to assemble bus suspensions with greater quality, durability, and speed. Other inventors recognize its superiority to other methods devised for this purpose. All of this equipment was put together with recycled materials.

The lack of organization and planning in this area was demonstrated when Julio Roche, president of the BIR, worked on a device to check Ikarus electrical accessories. His invention was not accepted by the evaluating committee because a similar device had been built 5 years earlier by technicians at the enterprise. Neither of the two devices is in use now, however.

Jorge Chirino, general secretary of the Transportation Union in the capital, acknowledged that after the union bureau fell apart at the enterprise level, the organization paid less and less attention to innovators. He asserted, however, that "we have to find solutions that will allow us to organize the work again. Every innovator should feel that he is receiving the support his work requires. Only in this way can we achieve positive results and resolve our difficulties with our resources."

What we need now, in addition to the labor union's support, is a joint effort between the management of each terminal and the enterprise itself to solve problems together. In view of the shortage of spare parts, it is more important than ever to organize and channel the creative efforts of the ANIR members in the transportation sector.

08926

President Cerezo on Domestic, Foreign Policy

3248020a Guatemala City EL GRAFICO in Spanish
31 Jul 88 pp 36-37

[Text] "Military coups create instability, and instability has a negative impact on freedom which is made much worse by its effects on the country's economy," stated the president of the republic, Mr Vinicio Cerezo Arevalo in an exclusive interview with EL GRAFICO in his office at the National Palace.

Effusive as ever, convincingly arguing his point of view, the president answered the questions that were asked of him. He placed particular emphasis on the fact that a framework of sincerity is necessary in dealing with national problems, and he stressed that dialogue is the way to solve problems. He declared emphatically that using de facto procedures to seek solutions causes even more problems.

He acknowledged that corruption is still prevalent in many structures, and that some spheres of Guatemalan society that have functioned in a traditional manner, especially some services, must be reformed.

He said there is no doubt that Central America has entered a more tense phase as the United States and Nicaragua have engaged in more polarizing conduct, with the mutual rejection of one another's ambassadors.

He asserted that it is just as important for the people to have bread on the table as it is for the country to enjoy a good international image, so that it can enable Guatemalans to meet their basic survival needs, because we cannot remain isolated.

The head of state received us immediately after appearing on a live television program in which he provided answers to the audience. He was willing to answer questions extemporaneously, without receiving them in writing beforehand.

[Question] Sir, do you believe that we should uphold tradition in Guatemala in the sense of being prepared for military coups? Do you think we can operate on that basis?

[Answer] There have been very important periods in Guatemala that have shown us that it is possible to live under a democratic system.

We conducted a survey a short time ago to see what effect the economic measures we took had on the population.

In fact, the government's popularity did not decline because people are unhappy with the economic measures it adopted. We did find, however, that people still have faith that the government will be able to solve the problem.

In this survey we included a question about coups, and 85 percent of the population in the capital, 90 percent of the population in the interior, completely reject military coups. We found only 10 percent to be sympathetic to that idea. That 10 percent, naturally, may reflect the attitude of a group on the extreme right, traditional conservatives who know that they have no chance to return to power through traditional elections, so they want to maintain that practice.

[Question] What do you see in that anti-coup response you mentioned?

[Answer] The important thing is that a trend is emerging among the people of Guatemala, a tendency to seek stability. Because stability is the beginning of the solution to our economic and social problems: preserving political freedom. I believe that Guatemalans have not enjoyed so much freedom in many years, perhaps never. And sometimes people don't realize that freedom is a fundamental value.

Freedom produces a series of effects that are not identified with freedom itself. Young people have music, sports; in the last 2 years we have won 600 international sports medals. Freedom produces a great deal of participation in sports, a great deal of joy, and this has a positive influence on youth as well as on security. I believe that what we derive from stability is very important, while instability has very adverse effects on the nation's economy.

[Question] If peace were restored in Central America, would Guatemala's economic crisis be resolved more easily?

[Answer] The conditions would improve if there were peace and stability in Central America. For example, we have been pointing out that Guatemala is going through a critical period right now due to the rise in prices in the basic basket. This is having a severe impact on the average Guatemalan. People are unhappy, they are upset; we know that. And we have pointed out one thing: If the protests develop for the purpose of solving this problem, and if they are discussed with the government of the republic, then the situation can be resolved, or improved. But if there are public demonstrations, work stoppages, de facto protests, then things will become more complicated, because the economy is being destabilized.

The same thing is happening throughout the region. If there is war in the region, if there are belligerent confrontations in the region, if there is guerrilla activity, then of course it is very difficult to attract capital. For example, Nicaragua could buy more from us Guatemalans if it were stable and had no war.

They could also sell us some products that we need at good prices. But war creates instability, and it complicates the economic situation. If there were peace, the most immediate consequence would be to improve the economic situation because of the resultant stability.

[Question] Mr President, with regard to U.S. Secretary of State George Shultz' surprising policy toward Nicaragua and the measures taken by Nicaragua, are they indications of a search for peace, or for war?

[Answer] No, the Nicaraguan decision to expel the U.S. ambassador to Nicaragua and the response by the United States in expelling the Nicaraguan ambassador and radicalizing the situation most definitely do not favor peace.

Both countries once again provoked an unnecessary polarization. As I see the situation, it may lead us once again to the same problem that was resolved at Esquipulas II, that is, a high degree of tension in the region that could place the emphasis on military solutions. Because Nicaragua's attitude, both domestically and abroad, and the United States' attitude make it clear that the United States is going to try to obtain military aid to provoke a confrontation. And that would hinder other actions to achieve peace.

But of course the fact that problems have arisen does not mean that the actions taken to solve them are not right. Now that we are going through a critical and serious stage, one of tension and polarization in the area, it is incumbent upon countries such as Guatemala, which has a policy of active neutrality, to take action to restore a climate of stability. And it is necessary to establish a climate of democratic openness in Nicaragua, because frankly we have been very disturbed, I would even say relatively critical, about the drastic measures that have been adopted in Nicaragua against the opposition parties and against some organs of the mass media. We feel that that may be a reaction to the domestic opposition, but in Guatemala we have proven that even with very strong opposition movements, the state can maintain its ability to work. Therefore, it is necessary to bring about a new, strong diplomatic effort aimed at regaining the levels of prosperity we once had, and at resuming the process of dialogue and political liberalization.

[Question] What is more important for Guatemalans, to have a good image abroad, or to be certain they will have bread on the table?

[Answer] For the government it is very important to assure Guatemalans that they will have enough to eat, that they can live safely in their own country. But if they don't have a good image abroad, this guarantee cannot be maintained. Proof of this is the fact that we had a period of good domestic economic activity in 1970, for example. But Guatemala's terrible image led us into a domestic economic crisis that resulted in the highest unemployment rate Guatemalans have ever seen.

So the government has to guarantee, first of all, a self-sufficient economic system so that it can provide services and food for its population, but among the necessary activities for providing those services and food is keeping up a good image abroad. Because Guatemala is not a self-sufficient country in any category. We have to boost production, and we are doing so. But we are not self-sufficient. We don't produce enough corn, or enough beans. So... "we are ready".... Sometimes we have to import. If we don't have a good image in the United States, when we need corn during the off season, they won't sell us corn at a low price, and we are up a creek. Nicaragua is a typical case. They have a serious internal problem, but they also have external difficulties. And although they have not necessarily taken the economic measures they should to solve their domestic problem, for whatever reasons,—among them the war—what has helped them survive and give their population at least something to eat has been their good image abroad.

[Question] Does your government have enough legislative backing to transform the country, giving the people the resources they need?

[Answer] We really do have backing in the Congress of the Republic that assures us of legislative agility and the ability to accomplish things. But there is no doubt that we always need the agreement and support of other parties and other sectors or political groups, because there are a number of fundamental decisions to be taken by the government that require the participation and vote of other political sectors.

I believe that a government cannot govern if it does not have a legislative majority, but it is undeniable that the policy of compromise within the Congress of the Republic, of open discussion therein, and of taking into consideration the opinions of the other parties, is important for the fundamental decisions, because the Constitution requires qualified votes.

[Question] When it comes to purely financial transactions, production, and the like, what should the government do about smuggling and illegal economic manipulations? Should it tie the criminal's hands, or negotiate with him to see if he will agree?

[Answer] The government has pursued a policy of rejecting any relations with criminal groups in the country. This has caused us serious problems. But we have launched the battle against government corruption, and it is now beginning to yield results. Although I don't much like to talk about the past, because I think Guatemalans should think about the future, the system that we inherited from the past was tremendously corrupt and inefficient in controlling crime.

The state devotes all its efforts to controlling security, policy, and not to controlling crime and corruption.

Public administration became inefficient, and we waged a 2-year battle to determine the mechanisms of corruption, to find out where the criminals were, inside and outside the government, and to improve all the institutions that should contribute along with the government to maintaining a state of legality.

[Question] How does democracy function, then?

[Answer] Democracy cannot function with corruption and illegality, because democracy is by nature and in essence a state of legality. Therefore, what we must do is struggle against crime.

This is a vital point, and for this reason we have continued to improve the police force, and we will improve it much more. In fact, at this time we need a mechanism for filing charges against government officials who are involved in corruption. But we won't be able to control crime and internal corruption if we don't have the cooperation of the people of Guatemala. We have established that if neighbors cooperate with a given community, they contribute to the forces of security. In terms of security, crime is controllable.

And we have also established that in administrative corruption there is always a part that corresponds to the private sector as well. Therefore, cooperation between the people and the government is essential for controlling crime and for giving the population security.

[Question] How can we explain the fact that the budget of the capital city government is 52 million quetzales less than the transportation subsidy? In maintaining streets and avenues, it has to cover the same distance as the Ministry of Communications does on the nation's highways and roads. Urban Transport has fewer than 2,000 drivers, while the city government has over 8,000 employees. Why, then, is the subsidy to Urban Transport higher than the entire budget of the municipality? Can this be corruption, Mr President?

[Answer] In this case, and in general, subsidies end up becoming a corruptive process, in a way. Because the subsidy makes it possible to keep up an economic or service activity, benefiting only those who render the service and not those who receive it. The service is maintained, but the notion of keeping it up only for the benefit of the people who provide it is encouraged. The service gets worse every day, and there is no way to improve it. So there is a corruptive practice, because it makes for undue enrichment.

The case of transportation is typical. And since it is a matter of honor in popular organizations and some sectors of the population that oppose the increase in urban transportation rates, all governments have decided to subsidize.

[Question] What has been the effect, according to that study?

[Answer] Three corruptive effects have resulted:

1. The subsidy is not enough to buy new buses or to improve service. The buses grow worse every day, and are out of service more and more. Then people have to pay higher transportation fares anyway, because they go in small buses. People have to get home or to work.
2. Some of the businessmen who have to provide the service will receive the subsidy even if they don't provide it. And then, they may disassemble the bus and take it home, and they will still earn the money guaranteed by the subsidy.

[Question] Specific cases of this are known, isn't that true?

[Answer] There have been cases in the municipality where some transportation providers, the microtaxi, for example, threw out the tickets and kept their vans to pretend that the fare corresponding to the subsidy had been used.

So the third effect is that the owner of the means of transportation receives enough to live on. And the owners of many buses receive enough to live well. But the people don't receive anything.

Therefore, the best thing would be to adjust the fare but to provide excellent service to the population, which would cut costs anyway. Right now people are paying 25 or 30 centavos for transportation. They might pay 15, I don't know, maybe a little more, but they would get good service and the government would be able to use that money to improve the city's streets.

It could use the money for highways, and even to use as credit for other transportation firms that want to expand their services.

[Question] So it is not the business sector that pays for the subsidies, but rather, when the government provides the subsidy, it is the people who pay, because they give up a project or services that the government might have carried out with the money it used for the subsidy?

[Answer] The people pay. The people say, "They didn't raise transportation fares and I still pay 10 centavos. And we have done so until now. But if we had the 40 million quetzales that the government is handing out in subsidies, because it has to give the money to the transportation companies, fares don't go up but the streets are still in bad shape, the problem of drinking water goes unsolved, no paving can be done."

Why has the municipality improved many of its public services? There are many reasons: first of all, because it has functioned efficiently; secondly, because the government has given a great deal of economic cooperation to the municipality. Many things that it has done would not have been possible without that government support.

The city government could do more if it received part of the subsidy for paving streets, or for investing in improved water supplies to some districts in the capital. It could pave the streets in the poor neighborhoods, for example. Because it would receive a large sum of money. The government of the republic would be willing to give part of that subsidy to the municipality to improve a great number of its services to the Guatemalan population. Therefore, subsidies end up being acts of corruption. It is better not to give them, to put the situation in order. People pay a little more for transportation, but they have better transportation. And there the government, in cooperation with the city government, can supervise transportation, and the government can keep the money to use for other social service projects.

[Question] If it is possible to correct transportation, is it also possible to have enough beans, rice, and corn in Guatemala? These are basic grains that were never in short supply before, right?

[Answer] Of course it is, and here is an interesting detail. We are developing a policy aimed at boosting production, since we are self-sufficient in production. Guatemala has the capacity to do so. But first we must solve three problems, which have taken time but are about to be solved:

1. Grain storage capacity. Because we can now produce more than we need and save some for the following year, in case of a shortfall. But where can we keep it?

Previous governments were not worried about storing grains. We could produce more vegetables, but they spoil within 24 hours. So we must put them in large coolers.

2. The peasants in the altiplano region can produce more, but they need to invest in irrigation, in improved seeds, and in expanding the area under cultivation. They need credit. The banks didn't used to give credit to small farmers. Now we have signed an agreement with the cooperatives, and through the state banks we are creating funds so that the peasants can get credit. And we are talking to the banking system to see if we can channel funds to give them funding.

3. Product marketing. In Guatemala there is an entire system of middlemen that increases the price of goods. We want Guatemalans to organize and create their own supply centers, popular fairs, privately-owned supply centers that would be fomented by the state.

08926

New Political Party Authorized

32480200f Guatemala City EL GRAFICO in Spanish
12 Jul 88 p 11

[Text] A new political party has made its public debut. It is the Democratic Party, led by Deputy Jorge Antonio Reyna Castillo. This makes the 15th party to begin preparations for the 1990 elections.

Of the social Christian persuasion, the new party is considered a current of the democratic left. Its campaign slogan is Otto Rene Castillo's "Fatherland, Let's Go."

The principal leaders are: Jorge Antonio Reyna Castillo, general secretary; Osberto Moises Orozco Godinez, assistant general secretary; Jose Francisco Monroy Galindo, assistant general secretary; Carlos Borromeo Perez Ixcot, recording secretary; Javier Anibal Garcia Constanza, secretary of finance; Abraham Mendez Garcia, secretary of legal and electoral affairs; Gilberto Lopez Alvarado, secretary of training; Mardoqueo Joel Ajxup Itzep, secretary of publicity and propaganda; and Amado Augusto Perez Estrada, secretary of rural affairs.

The departmental executive committees are operating in 13 departments: Chimaltenango, Escuintla, Cuilapa, Totonicapan, Quetzaltenango, Suchitepequez, Retalhuleu, San Marcos, Baja Verapaz, Zacapa, Jalapa, Jutiapa, and El Progreso.

The symbol of the Democratic Party is a white horse against a backdrop of the national blue.

08926

Increase in Basic Food Prices Cited

32480200b Guatemala City PRENSA LIBRE in Spanish
7 Aug 88 p 6

[Article by Salvador Hernandez S.]

[Text] "Everything is sky high, and the time will come when only those who have money can eat; the rest will be condemned to starve to death or to steal to survive," said housewives who were interviewed in the markets of this city yesterday concerning the increase in prices of goods in the basic basket.

In the markets of this town, prices of the majority of basic consumer items have been increased considerably, some capriciously and others because the suppliers claim fuel prices have driven up freight charges.

Women who declined to be identified expressed their displeasure at the fact that with the 10 quetzales they bring to the market they cannot even buy enough to make a midday meal for a small family.

They said that poor quality beans cost 82 centavos now, up from 35 and 40 centavos before. A pound of tomatoes, which used to cost 25, 20, or even 15 centavos, now costs 80 centavos to 1 quetzal. "Guisquiles," which used to cost 5 centavos, are now selling for 25 centavos; and cucumbers and beets are going for 20 and 15 centavos, respectively.

They added that meat (not top quality, because that is exported) has risen in price. A few months ago, a pound of the cuts known as "puyaso," "rochey," "viuda," or

"lomito" cost 2.25 to 2.50 quetzales, and now the price is 3.50 to 3.75 quetzales. Medium-sized eggs go for 5.25 quetzales a carton, compared to 3 quetzales previously.

Vendors of various products that have gone up in price stated that they are paying more for them and must also sell them at higher prices. Otherwise, they argued, they would be out of business, buying high and selling low.

"We make relatively little off these goods, and we try not to 'gouge' our patrons. The way things are now, with no controls, we could sell at higher prices, but we are aware of the economic crisis that the country is going through," they said.

Ana Lucrecia del Cid, of the Santa Luisa butchery, stated that meat prices have not gone up in price in the last few days. Back fat is selling for 2, 2.05, and 2.08 quetzales. Top quality roasts sell for 3.50 quetzales, while stewing meat sells for 1.25 quetzales.

At the La Ayutleca butchery, owned by Carlos Roberto Prillwitz, roasts are cheaper, at 3.25 quetzales. Only when customers request a special cut do they sell for as much as 3.50 quetzales.

Miguel Angel Prillwitz, one of the meat suppliers in this city, indicated that meat is more expensive because the people who have a monopoly on tanneries are arbitrarily paying a lower price for hides. He added that a pound of leather used to sell for 1.30 quetzales, but now furriers have set their price at 50 centavos.

"Until the authorities intervene to level out the price of leather or allow its export, things will not change. And it is we suppliers who will suffer, while others profit from the product," he said.

Kennedy Padilla Orellana, owner of the La Perla warehouse, stated that they are only middlemen between producers and sellers, and that they make a relatively small profit for distributing the goods.

"We are selling beans for 73 quetzales per quintal, while merchants resell them for 85 centavos a pound. They are making a handsome profit off them, which is not true of the warehouses, where we owners must invest a lot to earn a few centavos," he said.

"We sell rice for 53 quetzales a quintal, and they sell it for a much higher price. We price toilet paper at 31 quetzales for a 100-roll carton, while the stores charge 50 centavos per roll. Most of the merchants blame us, but that's not the case. Sometimes we feel like leaving this business and getting into something else, but the fact is, we have been supplying merchants for several years and we can't leave them in the lurch," he concluded.

The majority of the market baskets carried by housewives are full of bunches of herbs instead of meat, and they have been going up in price as well.

INTA Distributes Farmland to Peasants

41,360 Guatemalans Benefit

32480200c Guatemala City DIARIO DE CENTRO AMERICA in Spanish 27 Jul 88 p 4

[Text] A total of 41,360 Guatemalans have benefited from the democratic government's program of distributing land to the peasants who work it. The program has been in effect for 2 1/2 years.

As a government entity, the National Institute of Agrarian Reform (INTA) has implemented an ambitious program designed to solve agrarian problems.

The land distribution program being carried out by the INTA is the culmination of two technical processes, the first of which includes steps such as identification, delineation, legal measurement, registration, and agrological studies of national lands.

The second process involves the identification, selection, training, and organization of peasants so that they can become beneficiaries of the agrarian reform program.

In support of the families that benefit from land distribution, the Institute is building access roads, bridges, and school buildings, and is providing technical assistance for production. The objective is to accelerate the socioeconomic development of peasant families.

The INTA is aware that land distribution should benefit a reasonable portion of the Guatemalan population, and it is tailoring its action programs to that end.

In keeping with this objective, since the constitutional government took office a total of 8,272 deeds have been issued, including provisional, final, and Collective Agrarian Assets deeds, for land of different agricultural uses.

During the first half of this year alone, the INTA has turned over to farmers a total of 2,023 hectares, 54 ares, 15.65 centiares, valued at 589,080.95 quetzales. The money came from national funds.

The deeds have been drawn up as indicated above, either individually or in the form of Collective Agrarian Assets, depending on the quality of land, the number of beneficiaries, and the size of the parcel.

In addition, the institution that is responsible for the country's agrarian policy takes into consideration the agricultural use to which the land is best suited, in accordance with the needs of the beneficiaries.

The Agrarian Reform Law requires that the INTA make every effort on an institutional level to continue providing positive responses to the peasants' demands as much as possible. These demands have been increasing considerably in recent times.

43 Peasants Receive Land

33480200c Guatemala City *DIARIO DE CENTRO AMERICA* in Spanish 11 Aug 88 p 5

[Text] Nery Orlando Samayoa, executive chairman of the National Institute of Agrarian Reform (INTA), delivered 43 title deeds to an equal number of peasants in Nueva Concepcion, Escuintla.

"It is important to remind you that these deeds which we are giving you are the result of the constant requests you have made, and of our willingness to support in every way possible the work the peasants perform throughout the republic," stated Nery Samayoa prior to delivering the respective title deeds.

Later on the chief representative of the agrarian institution declared: "I also take great pleasure in telling you that the INTA is now in a position to do more to support the farm sector, because the government of President Cerezo is in favor of projects to provide water, electricity, health services, and land distribution."

"These favorable aspects help reinforce the democratic process that the government has instigated. In this connection, it is important for all of you to contribute by holding onto the land you are now receiving, because it is an asset that will help you support your children," concluded Nery Samayoa.

The new landowners expressed their gratitude for the valuable support from the INTA, and pledged to contribute to the construction of the democracy that we all yearn for by taking good care of their land and making it produce.

08926

1,717 Refugees Repatriated From Mexico

32480200e Guatemala City *DIARIO DE CENTRO AMERICA* in Spanish 23 Aug 88 p 4

[Text] A total of 1,717 Guatemalans who lived for many years in the refugee camps of Mexico have returned to this country so far this year.

These people came into Guatemala through La Mesilla, Huehuetenango, where they were welcomed by members of the Special Commission to Aid Repatriates (CEAR), who provided them with the necessary documentation and took them to the repatriation center. There they

were given food and whatever medical or hospital treatment they needed, in addition to agricultural and construction materials and tools. They are also being helped to recover their land and to obtain land if they do not already own it.

The purposes of the CEAR are to study all aspects to establish the conditions that will make possible the gradual return of the refugees in the most appropriate way possible, to make sure that the repatriates are able to return to the place that they freely choose, and to provide them with the minimum conditions for their resettlement and incorporation into Guatemalan society.

To complement its actions, the CEAR has cooperation agreements with national and foreign entities, including the Catholic Church, CARITAS, Ministries of State, the National Reconstruction Committee, the United Nations High Commissioner, and the Mexican Commission on Refugee Aid (COMAR).

The CEAR's Board of Directors made up of representatives of the Ministries of Foreign Relations, National Defense, Urban and Rural Development, and the National Reconstruction Committee.

08926

3,569 Police Fired for Cause During 1986-88

32480200d Guatemala City *PRENSA LIBRE* in Spanish 16 Jun 88 p 29

[Text] "A total of 3,569 National Police officers have been fired for corruption, misconduct, assault, criminal activity, robbery, and other crimes," stated Alvaro Portilla, spokesman for the National Police, yesterday.

Among them are police chiefs, officers, and patrolmen who committed crimes between 14 January 1986 and 9 June 1988.

According to Portilla, this purge of the police force has been carried out for the purpose of uncovering all elements of the institution that fail to fulfill their duty of overseeing the well-being of the citizenry.

"We have never covered up for anyone who exceeds the limits of the law. For reasons beyond the control of the police leadership, however, some unfortunate cases have occurred," he stated.

The police spokesman's statistics are alarming in terms of the number of people who have been discharged from the police force because of what was described as an effort to ensure that agents are instilled with an attitude that is more in keeping with their true function.

08926

PNC Organ Reports on PPP Congress Proceedings

32980187 Georgetown *NEW NATION* in English
7 Aug 88 p 5

[Text] The PPP held a 3-day Party Congress at the Empire Cinema, Middle Street, Georgetown, from 30 July to 1 August.

The Congress produced nothing new. It was characterised by the same state rhetoric, long-winded attacks on the Government and idle threats of violence.

Clement Rohee, PPP Secretary for International Affairs, in his opening address called for the removal of the PNC by 'revolution.'

PPP and WPA Working Together: Janet Jagan

In the course of the discussions on the Central Committee Report at the recently concluded PPP Congress which was held from 30 July to 1 August, Janet Jagan claimed that the PPP and the WPA had agreed to work together.

Just before the 1985 General Election, the PPP and the WPA had discussed the possibility of contesting the elections on a single ticket. These talks collapsed because the parties could not agree on a number of matters including how they would assign ministerial portfolios, if they won the elections.

Within recent months, the PPP, the WPA and the DLM have had several meetings on the question of an electoral alliance. These talks are continuing.

No Proper Financial Records

In his report on the Auditing and Controls Commissioner, Deola said that financial record-keeping was poor. He decried the fact that in many instances there were no records to show money was expended. He appealed for better management of finances.

Decisions of Last Congress Not Implemented

Janet Jagan, the PPP Executive Secretary, said that most of the decisions of the last PPP Congress were not implemented. She explained that certain developments in the political, social and economic structures of the country had forced the party to be very careful in its attempt to implement those decisions.

Grenadian Delegate Calls for Removal of PNC

Grenadian Delegate, Kenny Lansaisne of the Maurice Bishop Patriotic Movement of Grenada said that the 'Yankees must go' and the 'Cubans must return' to Grenada. He also called for the removal of the PNC Government.

Lansaisne said that the Maurice Bishop Patriotic Movement was gearing itself to get rid of the present government and seize power in Grenada.

Barbadian Delegate Denounces P. M. Sandiford

Barbadian Delegate, Ricky Parris, of the Workers Party of Barbados, criticised the Barbados Government as being 'capitalist' and called Prime Minister Erskine Sandiford 'an imperialist stooge.'

Parris said that the Workers Party of Barbados would soon overthrow the puppet Democratic Labour Party Government of Barbados and called on the PPP to overthrow the PNC Government, if necessary, by violence.

/9604

Manley On Prospects for Peaceful Election
32980184a Kingston *THE SUNDAY GLEANER* in
English 7 Aug 88 pp 9A, 16A

[Text] Note: Public opinion polls suggest that Michael Manley could well be the Prime Minister of Jamaica within a matter of months. But Jamaicans are concerned about violence and political party rivalry that may lead up to the next election, from which a change of government could result. Editor-in-Chief of Gleaner Publications, Dr Dudley Stokes, spoke with Mr Manley on 21 July, shortly after violence flared in two incidents in South St Catherine. The peace agreement and PNP plans for dealing with violence and drugs, were among the matters discussed in the interview. Extracts:

Editor: Why is a Peace Treaty necessary? Are the JLP and PNP "armies" in a war which would only end if the 'generals' negotiate peace?

Mr Manley: There has been a tendency to violence in Jamaican politics from the early 1940s. During the events in West Kingston in the early 1960s, this tendency took a more serious turn with the appearance of the guns. In the 1970s this got even worse with the development of strongholds in particular localities, some of which were heavily armed. By 1980, this had come to the tragic conclusion of an election in which some 700 people were gunned to death. Immediately after that election, I felt strongly that everything possible had to be done to pull Jamaica back from the precipice from which we almost tumbled in 1980. In the mid 1980's, we made several requests for the kind of dialogue that could lead to a reversal of the tendency to armed violence. In 1986, what was important to me, was that both sides got together to my personal delight. As a consequence we got through that election in a relatively peaceful manner, in a marked and dramatic contrast to the events of 1980. All this is necessary because there are deep hostilities in certain areas of Jamaica, to say nothing of a general tendency to hard irrational, almost tribal party allegiances. All of this has to be reversed by hard and patient work and courageous leadership.

Editor: How do you intend to ensure that PNP supporters follow the Peace Treaty? What disciplinary action will you take if your supporters break the Treaty?

Mr Manley: By constant work in public places and private organizational activities.... If members of the PNP willfully and maliciously break the treaty, there will be severe disciplinary action against them which could go as far as expulsion, depending on how serious we think the breach to be.

Editor: What chance exists, in your opinion, for the next election to be a peaceful one?

Mr Manley: I think there is a good chance provided there is sincerity and tolerance on both sides and a willingness to deal with problems when they arise on the basis of mutual trust, rather than on the basis of hysteria and political demagoguery.

Editor: How often do Mr Seaga and yourself meet to discuss mutual problems and how effective are those meetings?

Mr Manley: Quite often; and I must say that up until now all the meetings that we have had have been extremely productive and useful.

Editor: Is there a connection between political violence and the drug industry?

Mr Manley: I do not think so.

Editor: Mr Manley, it is believed that as a result of what happened in Gregory Park on Tuesday (19 July) the JLP has suspended the peace talks. What really happened in Gregory Park?

Mr Manley: We were to have a meeting in Gregory Park with the permission of the police at the end of a tour of the constituency. The tour went off peacefully until the stage when the JLP candidate took a number of his supporters and tried to occupy the meeting spot. When our supporters began to arrive for the meeting they found themselves faced with this situation and were soon under attack with stones. At this point, the JLP candidate [Tom Tavares-Finson] drew his gun and fired at least 2 shots. The police then intervened and fired shots in the air to force the JLP supporters to back off and leave room for the PNP to hold its meeting. I was touring the Caymanas Race Track when all this took place and arrived to find the JLP group with their candidate some hundred yards down the road. My own people peacefully assembled for the meeting and the police came between the two groups. The meeting was then held without further incident until that night when the JLP supporters went into Braeton and cut up a member of the PNP.

Editor: Why were there attacks on JLP supporters returning from their Annual Conference?

Mr Manley: There was clearly fault on both sides while buses were returning from the JLP conference. In some cases, JLP supporters in buses were the aggressors, hurling bottles at people showing the PNP signs. In other cases, the PNP people seemed to be the aggressors, throwing stones at the buses transporting some people giving the 'vee' sign. In cases like Mountain View Avenue, there were actual clashes in which people were wounded, but on the other hand, on the Causeway, one PNP person was killed, several shack homes burned to the ground. I personally spoke to a number of supporters who had received head wounds, including one man

whose ear had been almost completely severed. It is obvious that the JLP people carried out an attack of utter brutality on the Causeway fishermen.

Editor: Why have Seaga and yourself not personally gotten down to it and agreed and implemented a Peace Treaty?

Mr Manley: Only because Mr Seaga and his people called off the talks for the time being. I had thought I was going to meet Mr Seaga on Thursday (21 July) for a final meeting to work out the details of the signing which was to have been held at Kings House in the presence of the Governor General. They called this off, and we remain willing and ready to sign the agreement and work out the details of how this should be done. [Since the interview new moves have been made to get the peace talks re-started.]

Editor: What would you do if the PNP or any one of your candidates receives financial support from persons known to be in the drug trade?

Mr Manley: All our candidates are under strict personal instructions about their financial sources and what action to take if they suspect that the particular contribution is drug-based. If in the event, any one of our candidates knowingly disregard these instructions, he or she would be removed.

Editor: Will you continue (and if so, to what extent) the drug eradication programme so effectively implemented by the JLP?

Mr Manley: We feel we have to fight on all fronts in different forms...An important difference between ourselves and the JLP is that we feel that where you have to eradicate ganja fields, this ought to be accompanied by a programme of support for alternative agricultural activities. But we know that these cannot substitute for the level of income they lose, but it can help to build up an understanding, so that while you eradicate you do not leave people without an alternative source of earning.

Editor: How are you helping the police to get unlicensed automatic weapons and other firearms back under control?

Mr Manley: The only way that we can help is if we know where these weapons are hidden and we, like any other law abiding citizen, have a duty to inform the police. However, as it happens, the police have not asked us for any information nor is it easy to do because the people that hide the guns have their own powerful motives to keep this a secret.

Editor: Does the PNP or JLP have known gunmen and/or criminal thugs who consider themselves aligned with the parties? If so, how do you stop this association?

Mr Manley: There has always been a tendency for some criminal elements to pretend party allegiances as a cloak for their real intentions. We do not accept gunmanship and do not wish to support criminal elements. And I repeat what I have said in private meetings of the party and at public meetings: any member of the PNP involved with, and who associates with gunmen, will be dealt with in no uncertain manner. The party operates within the law and all members must follow it. We have even informed our comrades of the law as it relates to carrying firearms to public meetings.

Editor: Why do you keep delaying a face to face debate with Mr Seaga?

Mr Manley: The debate with Mr Seaga as recent events have shown, is not as important as human life. I think that you will agree that human life is far more important than debates in which people merely talk face to face. Therefore, our position remains and will not change. When we are satisfied that the Peace Treaty has been signed and when we have been given information in different areas that we have been trying to get for years; and when we know a firm date for the election; and when we are satisfied that there is equal attention and some level of integrity in the handling of the JBC, when all four conditions have been absolutely met, I will be happy to have a debate with Mr Seaga. All he has to do is name the date.

Editor: Do you have any idea when the election will take place?

Mr Manley: May I re-direct that question to Mr Seaga?

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Analysis of Polls Indicates 'Landslide Victory' for PNP

32980184b Kingston *THE DAILY GLEANER* in English 1 Aug 88 p 2

[Text] Note: Between Saturday 23 July and Saturday 30 July, the GLEANER carried polls, by Professor Carl Stone, relating to various areas of Jamaican politics including: issues considered important to the nation, the way political leaders are viewed and the standing of the two major parties. In the piece in THE SUNDAY GLEANER, a paragraph, and the table setting out the trends in party support 1976-1988, were inadvertently omitted. This is the complete text in which the UWI professor makes an analysis of his findings and point directly to the results of the upcoming General Elections.

The trends in the Stone Polls over the period since 1985 suggest that the PNP should win the next election by a comfortable margin.

The apparent 2 percent shift in voter support favouring the JLP between April and July 1988 could either be a real change or could be accountable to normal sampling error and may not in fact represent any real change in the balance of party strength.

JLP optimists will, of course, see hope in this change as suggesting that further vigorous campaign efforts might narrow the gap even further in their favour

The Stone Polls show that since 1985, PNP support has fluctuated between 47 percent and 49 percent. As can be seen from the figures below, this margin of PNP and JLP support is at a level close to where PNP and JLP support were in 1976 and 1980 when both parties were on the verge of winning landslide victories.

JLP Problem

The JLP, however, has shown considerable recovery of voter support between 1984 and 1988. Over that period, JLP strength grew from a very low 26 percent in 1984 to 36 percent in the July 1988 poll, representing a gain of 10 percent. The JLP needs at least another 12 percent gain or a 6 percent swing to win the election between now and the day of the ballot.

Since 1986, when the JLP lost the local election to a PNP landslide victory, our polls show the JLP as having gained 4 percent over the 1986 to 1988 period.

The JLP's problem is that while enthusiasm and confidence has grown within the ranks of the JLP's supporters as the economy has recovered somewhat and as the party has been fixing roads and spending huge sums of money, the big (47-49 percent) PNP support base remains largely unchanged and the 17 percent of uncommitted voters are persons who have no interest in voting for either party. There, therefore, appears to be literally no room for the JLP to expand its support base in spite of the increased confidence within the ranks of JLP leadership and activists.

The JLP is relying heavily on massive election spending to win over support from the PNP, but this strategy has never worked in past elections when voters decide that they want a change of government after a party has had two terms.

JLP critics have suggested that our polls are wrong and cite as evidence the large and enthusiastic turnout of JLP supporters at the recent party conference. Of course, in 1980 when the PNP was on the eve of a massive defeat at the hands of the JLP, PNP activists also filled the Arena and packed the Sam Sharpe Square in Montego Bay in large numbers that convinced PNP leaders to attack our polls as being grossly inaccurate. Our polls proved them wrong.

Crowds at conference and meetings have never been an accurate indicator of what an election outcome is likely to be.

Keen Contest

Elections are won by "SWING" voters and new voters [voting for the first time] most of whom do not attend either mass meetings or conferences. Both parties each have a solid base of support at the moment from some 35 percent of the electorate. Some of that 35 percent support base both parties have are party loyalists and others are issue voters who have a strong preference for one of the parties or for one of the leaders.

The vote support that moves a party from 35 percent to 36 percent to 47 percent, 48 percent or 49 percent is currently coming from those voters who want a change. These are the voters who make up the 11 percent gap the PNP has over the JLP. They can only be won over to the JLP by convincing them that they are going to be worse off if there is a change of government. At present, they think Manley will do better than Seaga if elected.

Current JLP enthusiasm and confidence guarantee that the election will be keenly contested although our polls suggest that the PNP will win by a big margin of 57 percent to 58 percent of the vote and 45 to 46 seats.

The Stone Polls suggest that there will be a 75 percent to 78 percent voter turnout in the election which will be significantly below the 87 percent turnout in 1980 but well above the 64 percent turnout in the 1986 local government elections.

The July 1988 Stone Poll interviewed 2,364 voters in 60 areas in all parishes across the island.

The poll was carried out over the period 7-11 July 1988 approximately one week before the JLP's annual conference.

The estimated sample error is -3 percent.

Trends in party support 1976-88 (last poll in each year)

Year	PNP%	JLP%	WPF%	Uncommitted
1976	48	37		15
1977	39	36		25
1978	29	33		38
1979	37	47		16
1980	37	50		13
1981	30	36	2.0	31
1982	43	38	0.3	19
1983	39	32	0.3	29
1984	38	26	2.0	34
1985	48	27	4.0	21
1986	49	32	1.0	18

Trends in party support 1976-88 (last poll in each year)

Year	PNP%	JLP%	WPF%	Uncommitted
1987	49	34	0.4	17
1988(Jan)	48	36	1.0	15
1988(April)	48	35	0.0	17
1988(July)	47	36	0.0	17

(The uncommitted are not likely to vote.)

/9604

Reported Economic Growth of 5.2 Percent in 1987
32980185b Kingston *THE DAILY GLEANER* in
English 30 Jul 88 p 3

[Text] A growth rate of 5.2 percent for the Jamaican economy in 1987, the highest rate of growth recorded since the 9.1 percent of 1972, was reported in the National Income and Product publication of the Statistical Institute of Jamaica (STATIN), released this week.

According to the publication, the Gross Domestic Product at constant prices for 1987 was \$1,967.5 million as against \$1,870.1 million in 1986.

This indicated a growth rate of 5.2 percent for the economy in 1987, as against a growth of 1.9 percent in 1986. The publication said that the economy had reacted positively to the policy measures which were implemented by the Government since the early 1980s.

During 1987, unemployment declined with the rate, at October 1987, standing at 20.8 percent compared with 22.5 percent in the previous year.

There was a significant reduction in the rate of inflation, with the mean annual consumer price index declining from 14.7 percent in 1986 to 6.7 percent in 1987. The country was recording positive growth for the second consecutive year.

The publication also enumerated the four policy measures which the Government had used to stabilize the economy—the setting of wage guidelines; interest rate policies; price controls; and, the close monitoring of money supply.

All sectors, with the exception of the producers of government services, which fell marginally by 0.6 percent, experienced growth in 1987. The productive sector grew by 5.8 percent as compared to 2.5 percent in 1986.

Within the productive sector, highest growth rates were recorded for construction and installation which increased by 14 percent over 1986. Manufacturing grew by 5.2 percent and mining and quarrying increased by 4.9 percent.

The agriculture, forestry and fishing sector, inspite of drought and flood rains, experienced a 2.5 percent growth in GDP, at constant prices, primarily due to increase in the subsectors livestock, hunting, forestry and logging.

The services sector also experienced an increase in its GDP of 5.1 percent. The distribution sector recorded the highest growth—a rate of 10.3 percent, while finance and insurance increased by 3.9 percent and "other services" by 6.1 percent.

Total final consumption expenditure at current prices increased by 14.8 percent, moving from \$10,549.0 million in 1986 to \$12,114.4 million in 1987, at constant prices, an increase of 8.2 percent.

In real terms, the final consumption represented 94.5 percent of the GDP in 1987 as compared to 91.8 percent in 1986. This was due to the growth in private final consumption expenditure.

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Government Reports on Seizures of Illegal Weapons

32980185a Kingston *THE SUNDAY GLEANER* in
English 14 Aug 88 p 1

[Article by Franklin McKnight]

[Text] The police have seized more than 100 guns since the start of this year, bringing the total of illegally held firearms taken from criminals to more than 360 since the start of 1987.

Police told *THE SUNDAY GLEANER* that the firearms seized, between 1 January and last week-end, included the following: five rifles, mostly M16s; three submachine guns; 17 shotguns, including homemade guns; 27 pistols and 48 revolvers. The firearms recovered have been taken mainly from the bodies of men shot and killed by the police. Others have been taken in raids.

Last year the police seized 252 guns in all. The breakdown was: three submachine guns, 12 rifles, 46 pistols, 777 shotguns and 114 revolvers. However, over the same period last year, police records revealed, 135 guns were stolen. Some of them were taken from the police—including a haul from the regional headquarters in St Mary; others from security guards and yet others from householders.

So far this year, 37 guns have been stolen from legal holders. Most of them have been stolen from security guards and householders.

But the armoury of the criminals are being replenished by guns coming into the country at a rate the police are unable to estimate. However, Minister of National Security Errol Anderson told *THE SUNDAY GLEANER*

that it was "absolute rubbish" to say the Security Forces had no clue about how the guns were coming in and where from. "Everybody on the streets know and so I don't see why the police shouldn't know," Mr Anderson said. "We're going after them."

He said his Ministry, given the responsibility in the last month, was taking steps to tighten up security at the ports and making efforts to close all illegal airstrips. Forty-six such airstrips remain. "Security is one of those things which you can't tell everything that's happening," Mr Anderson said. "But we are getting on top of the problem."

No Estimate

When THE SUNDAY GLEANER asked about the estimated number of guns in the hands of criminals, police could offer no estimate either. But Asst Commissioner Sam McKay, in charge of criminal investigations said: "It's not so much the number of guns but how they change hands...their mobility."

Mr Anderson said police intelligence had shown that "the criminal network is very itinerant. A gunman committing a crime in Montego Bay tonight might be the same man with the same gun committing a crime in Portland tomorrow night."

Police stressed that all guns seized were first tested to see if they had any connection with a criminal case. The tracing process would commence to find where the gun came from and who bought it originally. The Bureau of Alcohol, Tobacco and Firearms in Washington often assists the Jamaican Police in the tracing and international crime fighting agencies are often called in to assist.

That linkages with overseas law enforcement agencies are in fact paying off. One Washington D.C.-based agency recently tipped off the security forces here that a group of Jamaicans living in the United States had bought a quantity of guns which the Jamaicans intended to ship to Jamaica. "About 20 or so of them (the guns) turned up here," a police spokesman said. Police say investigations, with overseas assistance, are being conducted but they would give no details about that seizure.

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Echeverria Denies Backing Democratic Current
32480201a Mexico City EXCELSIOR in Spanish
5 Aug 88 pp 1-A, 10-A, 11-A

[Article by Marta Anaya]

[Text] The question alone brought silence to Luis Echeverria's house:

"Why are they saying that you're behind the Democratic Current (CD)?"

Carlos Andres Perez, the former president of Venezuela, put down his whiskey; Carlos Rafael Rodriguez, the vice president of Cuba, rested his hands on the arms of his easy chair; and Manuel Camacho Solis, the PRI secretary general, held his breath.

And then the former president softly remarked:

"Behind what? I'm not behind anyone! This is a way of attacking them.... Look, the political struggle is something that you have to be involved in every minute, and I haven't seen my two friends Porfirio Munoz Ledo and Cuauhtemoc Cardenas in 2 years."

We then turned to Camacho Solis and asked:

"Why do you think they're pointing to him (Luis Echeverria) as the man behind the Democratic Current?"

Camacho Solis straightened up and said:

"I am sure that he is not in the CD. I believe that he is an honest man and that his political position is as he says."

Carlos Andres Perez finally broke the tension with a quip:

"Maybe what the reporter means is that you're giving a bad example," he said referring to Echeverria.

The former president of Mexico, with his penetrating gaze, then recalled something or made some sort of connection with what the man who is also a former president and a candidate for chief executive of Venezuela had just said:

"The first thing that I did was go to the universities.... Do you remember?"

"Yes, of course we remember."

Carlos Andres Perez spoke up again, returning to the issue with which we had begun the conversation:

"Social phenomena are underground forces, unstoppable forces, and you have to know how to get out in front of them...."

There were other people at the gathering: the Cuban ambassador, Jose Fernandez de Cossio; Jorge Nuno, Djuka Julius, Luis Suarez, Dr Sofia Mendez, Maria del Carmen Echeverria, the wife of Camacho Solis (Guadalupe Velasco Siles), the wife of Carlos Rafael Rodriguez (Mirtha Rodriguez), and the wife of the Cuban ambassador (Tania de Fernandez de Cossio).

They had been arriving since between 1930 and 2030 hours for the dinner to which Luis Echeverria had invited them and at which the new secretary of PRI would have to defend the mixed economy.

But let us return to the conversation. The former president of Venezuela then contended:

"I think that there have been two extremely important developments in recent times: the presence of Jesse Jackson on the political scene in the United States, where he turned American society upside down, and the Mexican process...."

And then Carlos Andres Perez let fly:

"PRI has been seen...and the fact is that Mexico's realities are not understood, but I will put it thus, with crude words: it was seen as a democratic farce, as a single, totalitarian party that controlled everything, and that Mexico was a country mired in corruption...."

"Those of us who know it," he continued, "see PRI as a Mexican project, as a critical institution, traumatized by the aggressions that it suffered in the past, and that took advantage of its indigenous tradition, proposed a project, which is the system that was created here, and gave the country 60 years of peace and stability."

What the man from Venezuela said captivated the gathering; Echeverria listened from the background, as he always seems to do; Carlos Rafael followed his words, at times nodding his head, and Camacho Solis remained completely quiet.

We returned to the questioning:

"What do you think specifically about the elections?"

Carlos Andres Perez, who had just come from seeing the victorious PRI candidate, Carlos Salinas de Gortari, replied calmly:

"In my country a big to-do was made about the 'fraud.' They even wanted to beat me with the PRI flag, saying that I represented PRI in Venezuela. But I know Cuauhtemoc Cardenas and I've spoken twice with Carlos Salinas and I think, I felt the same way today too, that to Carlos Salinas this is a shift in the projection of the Mexican people and he doesn't see it as a catastrophe or as a negative reaction. I also feel that it was no surprise and that it isn't a political earthquake in Mexico either.

"My friends Cuauhtemoc and Munoz Ledo," the former Venezuelan president went on to say, "had not taken into account that it (the Current) was an instrument of a Mexican reality that had to come about and that it was not a destabilizing process, but rather the existence of a democratic process."

"Do you think that things could get out of hand and that there could be violence?"

"Look, the mistake that we politicians sometimes make is that we don't realize that we have influence on major changes and that people rise above them, overtake us.... You have to get out in front of them; otherwise, we're making a mistake! And here the system showed that it had the flexibility to absorb this situation."

"It depends on us, the politicians," he continued, "to go forward and get out in front of the changes. In Mexico the PRI project has transformed this society into a powerful middle class. Here the middle class is what is on the move. The workers have a middle-class awareness."

We took advantage of a pause and asked former President Echeverria whether he had not been surprised that so many labor leaders had lost in this election. He replied:

"Many of the votes were because of the economic crisis. We must see clearly the impact that the high cost of living and, mainly, unemployment have on political opinion."

"In this same vein, would you say that Mr Salinas de Gortari was a poor candidate?"

Echeverria replied:

"He seemed excellent to me! And it's understood that we are partisans of Juarez and Cardenas in this house. I voted for Carlos Salinas de Gortari enthusiastically. I have a son, Pablo, who lives in Cuernavaca. The Front ran him for the Senate. He lost. And he told me: 'Well, my people didn't register to vote.'"

"What do you think of him being an activist in another party?"

"It is gratifying for each person to have his political vocation. Life gradually charts one's course...."

He had concluded his comments. We turned to Carlos Andres Perez and asked:

"If you were Mexican, for whom would you have voted, Cuauhtemoc Cardenas or Carlos Salinas de Gortari?"

The candidate for president of his country jumped from his chair and with a loud laugh dodged the question, blurting out: "The vote is secret!"

From his chair Camacho Solis remarked:

"With that you've said it all...."

Well, that is how the conversation went while we had our drinks. We then proceeded to the table (after a photograph of the four was taken), and the topic shifted to the economy.

Between courses (asparagus soup, dressed meat, baked potatoes, fruit and sweetened bread), Camacho Solis practically carried the conversation. It began with a question for Carlos Andres Perez:

"How do you see us overcoming our economic problems in Latin America?"

"The main point is the debt," the Venezuelan replied immediately. "Unless we resolve it, there is nothing. I think that there ought to be a Latin American understanding, with certain guidelines for negotiations with the financial centers. I feel that there should be overall criteria in Latin America on the debt, and then each country should negotiate its own position in accordance with these criteria."

He then added:

"We do not want total confrontation, but a little confrontation so that they sit down to negotiate!"

Carlos Andres Perez put the question back to him: "And what do you think?"

"Look, I think that we really do need room to grow. But the condition for success is unity among national forces, a negotiation in which the domestic private sectors join with national forces."

"I agree completely!" replied the Venezuelan. "In my country we are already moving towards a system of negotiations with the private sector. We need domestic unity with the private sector to be able to negotiate."

And then Camacho Solis posed another question:

"Let's assume that we make headway.... Then what?"

"Yes," replied Carlos Andres, "but unless the debt is resolved, there will be no room.... But then I think that domestically speaking, we have to seek selective growth towards exports."

He then mentioned how Mexico had achieved the best terms in the worldwide negotiations and then dropped this question on the table, as Echeverria remained imposingly silent: "But what good did it do?" "Yes, it was a breather, but not an answer to the problem."

He then went on to say:

"I think that there has never been a better time for us to pressure the creditors. The idea that things cannot continue this way is spreading in the United States..."

Carlos Rafael Rodriguez then spoke up:

"But the majority do not think so...."

And they returned to the overall approach to the debt, what the overall conditions could be. Manuel Camacho cited four:

1. The need for tougher negotiations to reactivate the economy, in an alliance with the private sector.
2. An understanding with the sectors.
3. A strengthening of representative democracy as a political answer to society's request.
4. The need for government to reform institutions and make them effective.

A euphoric Carlos Andres again spoke up:

"I agree completely!"

The spotlight then turned to the vice president of Cuba, Rafael Rodriguez. Camacho Solis posed his question in careful language:

"In terms of Cuban development, how do you plan to fit into the new strategy, such as the Soviet Union's, China's?"

Carlos Andres chimed in:

"What he's asking in straight talk is what Cuban perestroika is going to be like...."

Laughter, and then Carlos Rafael's reply:

"First we must ask whether perestroika is needed in Cuba. And we feel that it isn't, that it is a Soviet need. We have already taken several measures, such as autonomy for enterprises and decentralization. The Soviet perestroika is not going to affect us.

"We," concluded the man from Cuba, who will certainly attend the South-South Meeting that opens today, "are already in a self-critical process of correcting mistakes, because it is true that we have copied what is bad well and what is good badly.... But we feel that we will not have problems, at least until 2005, because of the agreements that we have with the Soviet State."

It was close to 2300 hours. The gathering ended practically at that point. A toast, of course, kind words, well-wishing and good-byes.

And the lights went out in Luis Echeverria's living room.

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Business Leaders on Echeverria Political Activities

32480201b Mexico City EXCELSIOR in Spanish
11 Aug 88 p 28-A

[Article by Jaime Contreras Salcedo]

[Text] While the top leader of businessmen, Eduardo Garcia Suarez, charged yesterday that the country's destiny is at stake right now, if on 1 December "the people (of Cuauhtemoc Cardenas) take power," Jorge Oejo Moreno, the representative of COPARMEX [Employers Confederation of the Mexican Republic], indicated that former President Echeverria is indeed behind the Cardenas movement: "What is seen is not being judged," he said.

Questioned separately, the two business representatives voiced their concern over the "destabilizing" attempts of the groups that support the former governor of Michoacan for president of the republic.

Garcia Suarez even directly accused the Socialist International and the group of the Commission of the South of attempting to pressure the Mexican authorities into having both this and the next regime approve of their ideological stands. He cautioned:

"The Mexican Government must act with our country in mind. What is not alright is foreign meddling. The dinner at Luis Echeverria's house was not to sip coffee but to talk about politics."

The radical leader of Mexican businessmen later criticized the remarks that Carlos Andres Perez made during the dinner with the former chief executive. These two and the Cuban vice president, Carlos Rafael Rodriguez, are the main ambassadors of the Socialist International in Latin America.

"We feel," Garcia Suarez continued, "that these underground (socialist) currents that surfaced on 6 July and continue to surface pose a serious danger to the (Mexican) political system. Normally these international groups get involved and act by applying pressure to gain negotiated positions."

He said that the fact that PRI's brand new secretary, Manuel Camacho, attended the gathering at Luis Echeverria Alvarez' home that night means that the former head of SEDUE [Urban Development and Ecology Secretariat] was seeking "to enter a negotiation so that there would be social peace in Mexico."

The president of CONCANACO [Confederation of National Chambers of Commerce] emphasized that all of the political pressures and the crisis besetting the nation "are primarily of a political-ideological nature" and he again advocated the idea of a social market economy.

As far as politics is concerned, he said, our country must decide to solve its problems internally "within a new alliance."

He underscored once again that there is a danger of social instability in the short run "if these threats that the people will take power next 1 December are made good."

"The people? What people?" he was asked.

"The people that Cardenas talks about, because the real people are at peace. Our people, Mexican society, wants social peace."

"And aren't you afraid that PAN [National Action Party] demonstrations could in fact disturb the social peace? Isn't this the other 'people,' Clouthier's?" asked the reporter.

"Civil disobedience does not harm the climate of social peace in which we live. Social peace would be disturbed by the specific threats to take power by Cardenas," he replied.

When then asked about the fact that PAN members have joined with the PRT [Revolutionary Workers Party] and the Cardenist Front, Garcia Suarez said that this was exclusively to defend the vote, "as far as I understand."

Jorge Ocejo Moreno, the president of COPARMEX, indicated in turn that former President Echeverria was obviously behind the Cardenist Front, noting that the proof was that one of Echeverria's sons, Pablo, had fought for the Left by seeking the Senate seat from Morelos.

In reply to a specific question, he said that the organized employers were not PAN supporters and that encouraging the country's businessmen to vote was not and would not be for partisan purposes.

With regard to the Solidarity Pact, both Garcia Suarez and Ocejo Moreno came out in favor of bigger cuts in government spending and a prompt reduction of taxes and unproductive parastate enterprises.

The COPARMEX president added that a real decline in the growth of the money supply is in order so that the effort that is being made to stem inflation is "validated."

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